U.S. Army SMDC
Space and Missile Defense Command

SETAC RECOMPETITION

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Huntsville, AL

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Alabama 8(a) Annual Conference

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AGENDA

- What is SETAC?
- Small Business Status on Current SETACs
- Timelines and Acquisition Schedule
- Unchanged from Previous SETAC Acquisition
- Changes from Previous SETAC Acquisition
- Small Business Issues
- Teaming and Subcontracting
- Credit Cards
- SETAC Surveys
- Questions and Answers

WHAT IS SETAC?

SETAC - Systems Engineering and Technical Assistance Contract

4 Primes:

- CSC
- MEVATEC
- NRC
- TBE

OUR SETACs Support:

- SMDC in Huntsville and Washington DC
- PEO-AMD in Huntsville and Washington DC
- HELSTF
- ARSPACE
- Related OGAs in Air, Space, and Missile

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WHAT IS SETAC?

SETAC's Six Functional Areas:

- Requirements Definition, Integration, and Planning
- Technology Development, Assessment, and Validation
- Threat Estimation/Projections
- Weapons Lethality and Effects Estimation
- Engagement Simulation and Interfacing
- Program/Project Analysis, Evaluation, and

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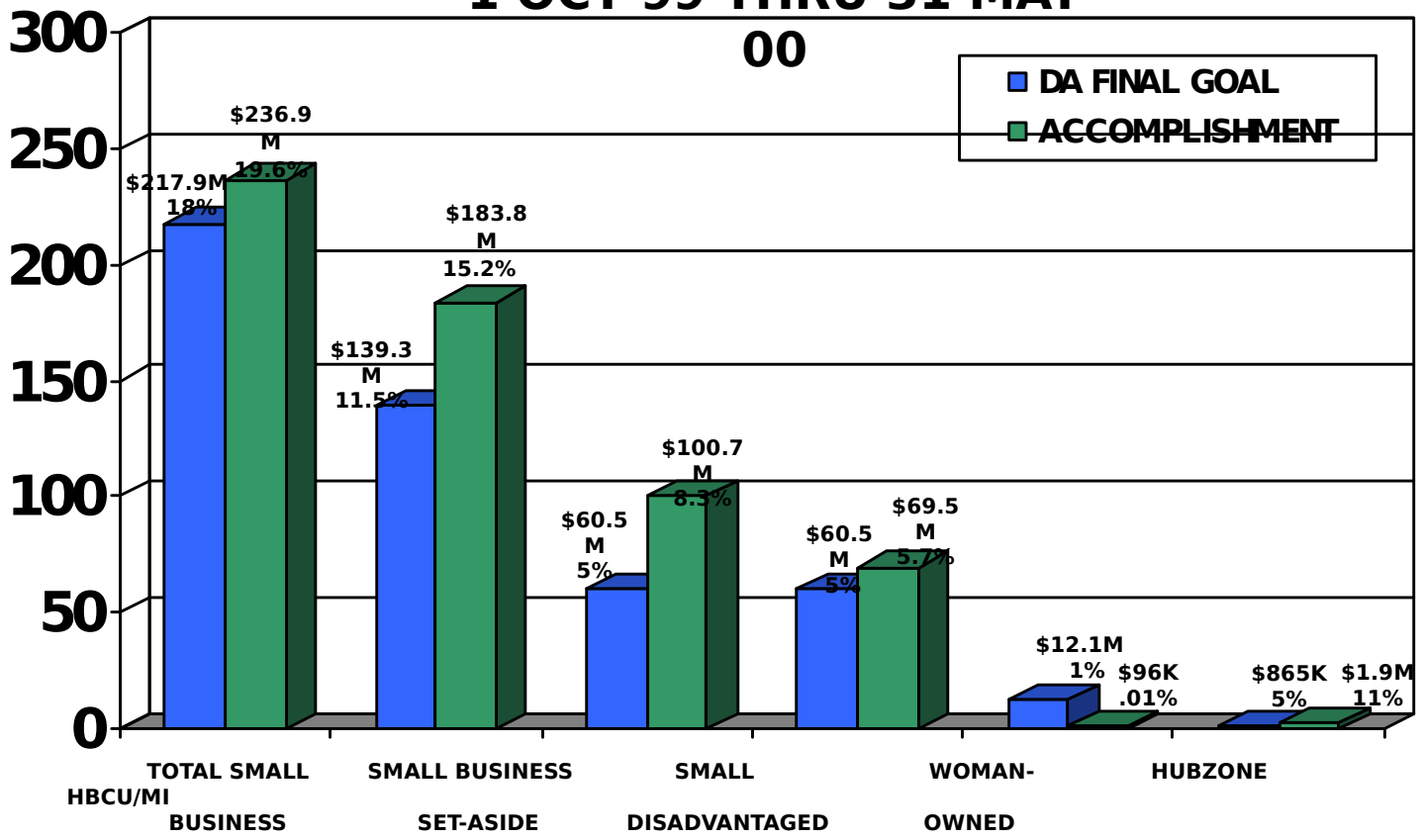
FY 00 Small Business Goals and Accomplishments (U)

1 OCT 99 THRU 31 MAY 00



TOTAL EST. U.S. DOLLARS - $1.2B **TOTAL EST. UNIV. DOLLARS - $17.3M**

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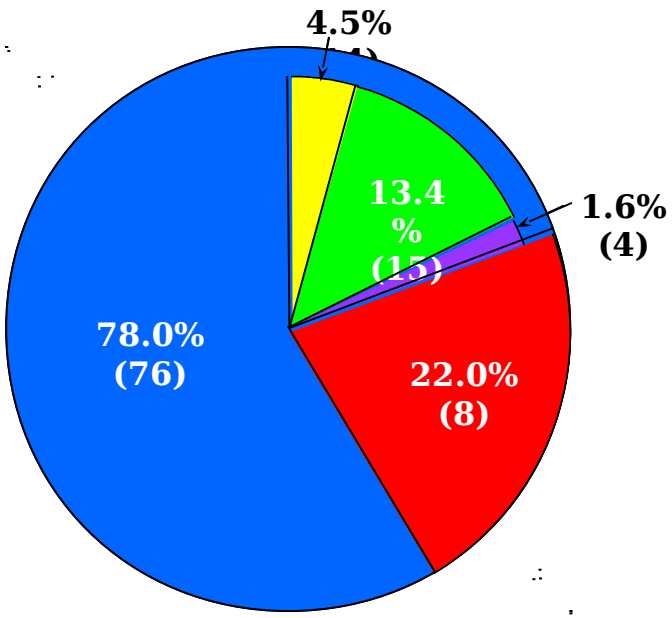
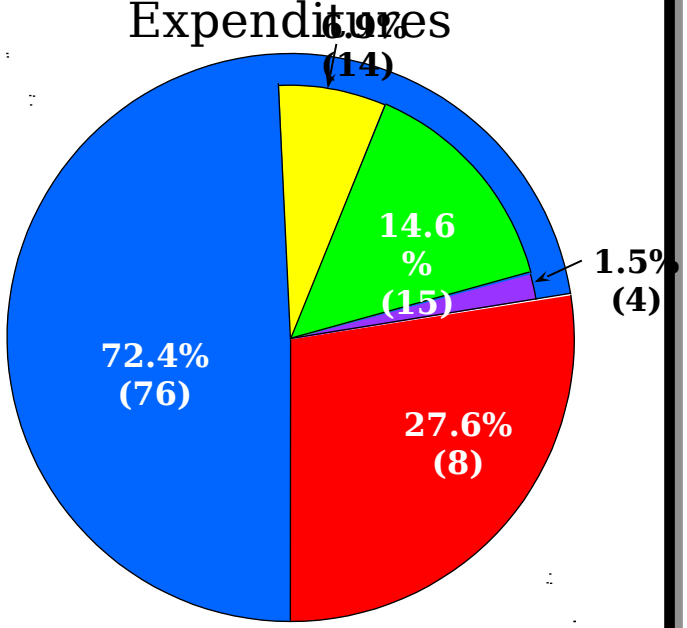
MEVATEC'S STATUS - INCEPTION THROUGH 31 MARCH 2000

SETAC Subcontract Awards



TOTAL $ 61,895,827

SETAC Subcontract Expenditures



TOTAL $ 34,668,925

Small Business (76)
Woman-Owned Small Business (14)
Small Disadvantaged Business (15)
Hubzone (4)
Large Business (8)

(#) Represents number of subcontractors in gr

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STATUS OF SETAC - INCEPTION THROUGH 31 MARCH 2000

Breakout of the Total Dollars:

Small Business	30%
Small Disadvantaged Business	5%
Woman Owned/Small Business	3%
HUBZone	1%
Large Business	61%

Total SETAC Dollars: $440M

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STATUS OF ALL SETACS - INCEPTION THROUGH 31 MARCH 2000

Breakout of the Total *Subcontracted* Dollars:

Small Business	**54%**
Small Disadvantaged Business	**14%**
Woman Owned/Small Business	**9%**
HubZone	**2%**
Large Business	**21%**

Total SETAC Subcontracted Dollars: $160M

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ACQUISITION TIMELINES/SCHEDULE

- **Summer 00** **Meetings with Various Industry Representatives (Segregated by Company Size)**
- **Fall 00** **General Industry Brief (Pre-DRFP)**
- **April 01** **DRFP Issued**
- **Jun/Jul 01** **Pre-solicitation Industry Briefing**
- **Aug 01** **RFP Released**

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ACQUISITION TIMELINES/SCHEDULE CONTINUED

- **Aug/Sep 01 OCI and Past Performance Data Due**
- **Sep/Oct 01 Proposals Due**
- **Dec 01 Contracts Awarded**
- **By Apr 02 Award T/Os and Transition Contractors, as necessary**
- **24 Apr 02 Performance Begins**

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UNCHANGED FROM PREVIOUS SETAC ACQUISITION

- Multiple Awards (at least one SB award)
- Performance-Based Scope of Work Supported by User Mission and Function Statements
- Indefinite Delivery/Indefinite Quantity (ID/IQ) Contracts
- Both Formal and Informal Competitive Task Order awards
- Fixed-Price Labor Categories
- Umbrella OCI Clause for primes with "technology area" flowdown to subcontractors
- Same SIC Code: 8731
- Participation of Primes in the DA Mentor-Protégé Program
- New ID/IQ Multiple Award Rules - will continue to be compliant as we are under the current

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CHANGES FROM PREVIOUS SETAC ACQUISITION

- Price Competition VS. Cost Competition
- Simplified Past Performance Requirement for Proposal
- Specified OCI determination format/process
- Fewer Formally-Competed Task Order Requirements Following Contract Award
- Government will utilize past performance under current SETACs for informally-competed task orders
- Tie Breaker in the event that two proposals receive equal evaluation scores
- THAAD PM will no longer have access to both SETAC and a separate THAAD-only SETA contract; they will use only SETAC

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CHANGES FROM PREVIOUS SETAC ACQUISITION WHICH ARE

- Both On-Site and Off-Site Rates
- Additional fixed-price labor categories
- Credit Card Payments VS. DFAS payments
- Pre-Solicitation On-line Acquisition Library
- Oral Presentation of Proposal Delivered on CD VS. “Live”
- Longer term contract with pre-established price re-determination factors (such as Award Term Contracting)
- Incentives to Primes to Utilize SB/SDB/WO/8(a)/Hubzone Subcontractors
- Evaluation Factors/Subfactors which reflect latest philosophy (pass-though caps, subcontracting incentives, effectiveness of contractor management systems, and innovation initiatives)

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SMALL BUSINESS CONCERNS

- Set-asides for Small Business and/or 8(a) Teams - all options are being considered
- Bundling - we have looked at the issues and do not believe that we have a problem
- No Government restriction on number and/or type of teaming arrangements
- Past Performance for Joint Ventures
  - Technical rating based on members' individual rating
  - Management rating given a neutral
- Real vs. Proposed Subcontract Work

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AFFILIATION & LIMITATION ON SUBCONTRACTING RULES FOR SMALL BUSINESS SET ASIDES

- **Old Rule Regrading Teaming and JVs:**

Add all its individual members to determine size according to the applicable standard industrial classification (SIC) code assigned for that procurement and the small business prime contractor must perform 50% of the work with its own personnel

- **New Rule Regrading Teaming and JVs:**

As long as each "Team" member is determined to be small based on the SIC code assigned for the procurement, the collective "team" is deemed to be small for that acquisition

Small business prime contractor may compete for a SBSA when 50% of the work will be performed by the "team," (i.e., collective effort of all the small business members of the team)

Any/all large businesses must be subcontractors

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8(a) COMPETITION TEAMING AGREEMENTS & JOINT VENTURES

- **Old Rule Regrading Teaming and JVs:**

  8(a) Prime Contractor must perform 50% of the work with its own personnel.

- **New Rule Regrading Teaming and JVs:**

  At least one 8(a) participant and one or more other business concerns may compete for an 8(a) competitive effort so long as each concern is small according to the applicable SIC Code and the lead 8(a) concern performs a "significant amount" of the work with its own employees.

- **SBA Review/Approval**

  Teaming agreements and Joint Ventures must be approved by SBA prior to award.

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BENEFITS OF CREDIT CARDS

- Faster Payments
- Credit Card Processing Fees are Allowable and Negotiable
- Lower Unallowable Interest Costs
- Streamline Administrative Procedures and Lower Indirect Costs
- More Favorable Cash Flow Ratio
- Increase Profit Margin and Business Opportunity

SETAC SURVEY AND SURVEY RESULTS

- **Provided to HASBAT membership and all current SETAC primes/subs**
- **Comments/recommendations will be on a non-attribution basis**
- **Utilized to assist Government in upcoming acquisition decisions**
- **Significant issues brought out in the completed surveys will be addressed in upcoming meetings with industry**
- **Similar one will be distributed to the SMDC/PEO-AMD user activities/technical personnel**

WE WELCOME AND NEED YOUR INPUT!!!!!

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SUMMARY

- **SMDC is pursuing ways to support the local small business community while still ensuring the best value acquisition for the Systems Engineering and Technical Assistance Contracts (SETACs)**

- **Questions and Answers**

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POC INFORMATION

- **Contracts Office:**

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- **SADBU Office:**

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  christine.smith@smdc.army.mil

- **SMDC WebSite Address for Acquisition Information:**

  http://www.smdc.army.mil/Contracts/Contracts.html